

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** Original  
**POSITION:** Neutral

**BILL NUMBER:** AB 2519  
**AUTHOR:** Berryhill, Bill

### **BILL SUMMARY:** Real estate appraisers: licensing.

This bill makes several technical and policy changes to the appraiser licensing law intended to update statutes and clarify enforcement authority.

### **FISCAL SUMMARY**

According to the Office of Real Estate Appraisers (OREA), this bill imposes no impact to the Real Estate Appraisers Regulation Fund.

### **COMMENTS**

This bill would have no fiscal impact and concerns a policy matter on which we are neutral. Finance notes this bill makes several technical and policy changes to the appraiser licensing law intended to update statutes and clarify enforcement authority.

### **ANALYSIS**

#### 1. Programmatic Analysis

**Existing law** gives the OREA the responsibility of overseeing the practice of real estate appraisers in California through licensure and regulation. The Director of the OREA is authorized to adopt regulations governing the process and procedures for licensing and if necessary, disciplining of real estate appraisers and appraisal management companies (AMCs).

**This bill** makes several noncontroversial changes to law governing real estate appraisers and AMCs. Specifically:

- Provides that a real estate appraiser's license shall not be renewed prior to the satisfactory completion of an education course imposed by a citation, unless the citation provides for a completion date that is subsequent to the license renewal date.
- Provides that the suspension, expiration, or forfeiture by operation of law of a license or certificate of registration issued by the OREA, or its suspension, forfeiture, or cancellation by order of the OREA or by order of a court of law, or its surrender without the written consent of the OREA, shall not deprive the OREA of its authority to institute or continue disciplinary proceedings against the licensee or registrant, or to enter an order suspending or revoking the license or certificate or registration, or otherwise taking disciplinary action against the licensee or registrant.

Analyst/Principal (0761) C.Hill	Date	Program Budget Manager Mark Hill	Date
Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
BILL ANALYSIS			Form DF-43 (Rev 03/95 Buff)

**BILL ANALYSIS--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

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**ANALYSIS** (continued)

- Deletes existing law that allows a holder of a real estate broker license to have been deemed to have completed the experience requirements for an appraisal licensure upon proof of accumulating 1,000 hours of experience in the valuation of real property.
- Requires each real estate appraiser license applicant and each controlling person of each applicant for registration as an AMC to submit to the Department of Justice (DOJ) fingerprinting images and information via LiveScan. If the applicant is located out of state, the applicant shall include his or her fingerprint card with the application package and the OREA shall submit the fingerprint card to the DOJ.
- Deletes reference to the Resolution Trust Corporation, an entity that no longer exists.
- Adds employee appraisers of AMCs to existing law requirements where applicable.
- Deletes existing law requiring issuance-related fees be paid at the time the issuance application is submitted to the OREA and eliminates the method of paying fees with a government purchase order.
- Specifies that an applicant for licensure shall not be eligible to have a license issued unless he or she notifies the OREA within one year of successful completion of a required examination.
- Allows an appraiser to voluntarily provide his or her digital signature or seal to another person, to the extent permissible under the Uniform Standards of Professional Appraiser Practice.

**2. Fiscal Analysis**

According to the OREA, this bill imposes no impact to the Real Estate Appraisers Regulation Fund.

	SO	(Fiscal Impact by Fiscal Year)					
Code/Department	LA	(Dollars in Thousands)					
Agency or Revenue	CO	PROP					Fund
Type	RV	98	FC	2011-2012 FC	2012-2013 FC	2013-2014	Code
2310/Real Es Appr	SO	No		-----	No/Minor Fiscal Impact	-----	0400
<u>Fund Code</u>	<u>Title</u>						
0400	Real Estate Appraisers Regulation Fund						